IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

COMPANY PETITION No. 164 of 2006
In
COMPANY APPLICATION No. 460 of 2006
With
COMPANY PETITION No. 165 of 2006
In COMPANY APPLICATION No. 459 of 2006

For Approval and Signature:

HONOURABLE MR.JUSTICE M.R. SHAH

==========

1 Whether Reporters of Local Papers may be allowed to see the judgment ?

2 To be referred to the Reporter or not ?

3 Whether their Lordships wish to see the fair copy of the judgment ?

4 Whether this case involves a substantial question of law as to the interpretation of the constitution of India, 1950 or any order made thereunder ?

5 Whether it is to be circulated to the civil judge ?

==========

UNITY MEDICARE LTD. - Petitioner(s)
Versus
.. - Respondent(s)

==========

Appearance :
MRS SANGEETA N PAHWA for Petitioner(s) : 1,
MR PURVISH J MALKAN for Respondent(s) : 1,

==========

CORAM : HONOURABLE MR.JUSTICE M.R. SHAH
Date : 24/11/2006

ORAL JUDGMENT

Both these Company Petitions are filed for sanctioning Scheme of Amalgamation of Unity

Medicare Ltd.,[Transferor Company] with Sterling Addlife India Ltd [Transferee Company]. Unity Medicare Ltd.,[Transferor Company] is the applicant of Company Petition No. 164 of 2006 and Sterling Addlife India Ltd [Transferee Company] is petitioner of Company Petition No. 165 of 2006.

2. It is submitted in the respective Company Petitions that Board of Directors of both the Companies, i.e., Transferor and Transferee Companies have considered amalgamation of Transferor Company into Transferee Company for more better utilisation of resources, the assets and properties of the companies resulting into higher returns of the capital and accordingly both of them have resolved to prepare and to have a scheme of amalgamation between the Transferor Company and the Transferee Company. Having procured and obtained the written consents of the shareholders and unsecured creditors of the

Transferor Company, sanctioning/approving the proposed scheme of amalgamation, Company Application No. 460 of 2006 was filed for dispensing with meeting of shareholders and unsecured creditors. The learned Judge of this Court, by order dated 25.8.2006 and by further order dated 21.9.2006 modifying the earlier order, has been pleased to dispense with meeting of shareholders and unsecured creditors of the Transferor Company.

2.1. Similarly, having procured and obtained the written approval of the shareholders of the Transferee Company, Company Application No. 459 of 2006 was submitted for dispensing with meeting of the shareholders of the Transferee Company. By order dated 25.8.2006, the learned Single Judge of this Court passed the order of dispensing with meeting of shareholders of the Transferee Company.

3. Both these petitions came to be admitted by this Court by order dated 1.9.2006 when it was directed to publish advertisement about admission and date of final hearing of both these Company Petitions in “Loksatta-Jansatta” [Gujarati Daily] and “Indian Express” [English Daily], both Vadodara Editions. It is reported that advertisements were published in both the local newspapers, namely 'Indian Express' and 'Loksatta-Jansatta' of Vadodara Editions on 6.9.2006 and an affidavit of publication dated 17.11.2006 is filed.

4. Notice of the Company Petition No. 164 of 2006 was served upon the Official Liquidator and after availing the services of the Chartered Accountant to consider the affairs of the company, the Official Liquidator has submitted Report dated 8th November 2006 confirming that the acts and transactions of the Company were conducted as per the objects mentioned in the

Memorandum of Association of the Company and that the affairs have not been conducted in a manner prejudicial to the interests of the Members or interests of the public as reported in the report of the Auditors appointed for the purpose of scrutiny and investigation of books of accounts and affairs of the Company.

5. Notice of both the Company Petitions have been served upon the Central Government and the Regional Director, and an Affidavit is filed by the Assistant Registrar of Companies, office of ROC, Gujarat, along with communication by the Regional Director, Ministry of Company Affairs, Western Region, dated 8.11.2006 wherein it is reported that the Office of the Regional Director has examined both the Company Petitions and the Scheme and it has been decided not to oppose the petitions.

6. I have heard Mr. Navin Pahwa, learned advocate appearing for the petitioning companies. I have also heard Shri PJ Malkan, learned Central Government Standing Counsel appearing for the Central Government.

7. Considering the averments made in the Company Petitions, Report of the Official Liquidator, as well as the communication dated 8.11.2006 sent by the Regional Director, Mumbai, and considering the proposed Scheme of Amalgamation, and considering the fact that the proposed Scheme of Amalgamation has been approved by all concerned, and it also appears to the Court that the amalgamation would be in the interests of the companies, their shareholders and creditors, the prayers in terms of Paragraph 13(A) of Company Petition No. 164 of 2006 and 12(A) of the Company Petition No. 165 of 2006 are hereby granted.

8. Both these petitions are accordingly disposed of. So far as costs to be paid to the learned Additional Central Government Standing Counsel, the same is quantified at Rs. 3500 per petition and the same may be paid to Shri Malkan, learned Central Government Standing Counsel by the respective petitioners.

[M.R. Shah, J.]

RMR.